

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT General Services Agency Sheriff's Office	(2) MEETING DATE 12/17/2013	(3) CONTACT/PHONE Janette Pell, General Services Agency Director, 781-5200 Rob Reid, Chief Deputy, 781-4540	
(4) SUBJECT Accept bid results and award a construction contract, contingent on State Department of Finance approval, to Roebbelen Contracting, Inc., as general contractor, in the amount of \$27,797,000 for construction of the Women's Jail Expansion project; waive Public Contract Code change order limits for the construction contract; sign and approve an amendment to the consultant services contract for construction administration; award consultant contracts for inspector of record, testing and special inspection, and commissioning agent; authorize an appropriation increase in the amount of \$6,585,156 to the project; authorize the Auditor-Controller-Treasurer-Tax Collector to support cash flow requirements for the project; and request to receive and file the project update for the Women's Jail Expansion project located at 1585 Kansas Avenue, San Luis Obispo, CA.			
(5) RECOMMENDED ACTION It is recommended that the Board: <ol style="list-style-type: none"> 1. Accept the results of the November 7, 2013 bid opening for the Women's Jail Expansion project located at 1585 Kansas Avenue, San Luis Obispo, contingent on State Department of Finance (DOF) approval, award a construction contract to Roebbelen Contracting, Inc., as general contractor, in the amount of \$27,797,000, and instruct the Chairperson to sign the Contract upon receipt of all insurance and bond documents; 2. Waive Public Contract Code Section 20142(b) for change order limits and approve a 10% change order contingency for the construction contract and delegate change order authority to the General Services Agency Director; 3. Approve and instruct the Chairperson to sign a third amendment to the consultant services contract for construction administration with AECOM Technical Services, Inc. in the amount of \$989,496; 4. Approve and instruct the Chairperson to sign a contract for inspector of record services to 4LEAF, Inc., in the amount of \$519,800; 5. Approve and instruct the Chairperson to sign a contract for testing and inspection services to Earth Systems Pacific, in the amount of \$239,732; 6. Approve and instruct the Chairperson to sign a contract for commissioning agent services to Enovity, Inc., in the amount of \$152,318; 7. Authorize an appropriation increase in the amount of \$6,585,156 for the Women's Jail Expansion project using \$2,163,652 from the Facilities Planning Designation in the Capital Projects Fund and \$4,421,504 from reserves in the Criminal Justice Facility Construction Fund. Four-fifths vote required; 8. Authorize the Auditor-Controller-Treasurer-Tax Collector to make short-term loans between any funds under the control of the County Board of Supervisors to support cash flow requirements specific to the Women's Jail Expansion Project. In addition, waive the requirements to have repayment occur by the end of the fiscal year and that the loan bear interest; and 9. Receive and file project update. 			
(6) FUNDING SOURCE(S) State lease revenue bonds \$25.1 M, County Funds \$15.6 M: Detention Facility Reserve \$7.0 M Facility Planning Reserve \$3.5 M Criminal Justice Facility Construction Fund \$4.4 M General Fund \$0.7 M	(7) CURRENT YEAR FINANCIAL IMPACT \$6,585,156	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? \$9.1 M budgeted \$6.5 M requested
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input checked="" type="checkbox"/> Board Business (Time Est. <u>15 min</u>)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001356, 19001357, 19001358		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: 1314077	

		{ X } 4/5th's Vote Required { } N/A
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } N/A Date: 7/18/2006; 7/17/2007; 12/4/2007; 1/29/2008; 3/11/2008; 9/21/2010; 2/22/2011; 12/13/2011; 4/10/2012; 6/19/2012; 8/28/2012; 12/11/2012; 12/18/2012; 03/26/2013; 04/02/2013, 08/13/13, 08/27/13
(17) ADMINISTRATIVE OFFICE REVIEW Geoff O'Quest, Administrative Analyst		
(18) SUPERVISOR DISTRICT(S) All Districts -		

County of San Luis Obispo



TO: Board of Supervisors

FROM: General Services Agency / Janette Pell, Director
781-5200
Sheriff's Office/Rob Reid, Chief Deputy
781-4540

DATE: 12/17/2013

SUBJECT: Accept bid results and award a construction contract, contingent on State Department of Finance approval, to Roebbelen Contracting, Inc., as general contractor, in the amount of \$27,797,000 for construction of the Women's Jail Expansion project; waive Public Contract Code change order limits for the construction contract; sign and approve an amendment to the consultant services contract for construction administration; award consultant contracts for inspector of record, commissioning agent, and testing and special inspection; authorize an appropriation increase in the amount of \$6,585,156 to the project; authorize the Auditor-Controller-Treasurer-Tax Collector to support cash flow requirements for the project; and request to receive and file the project update for the Women's Jail Expansion project located at 1585 Kansas Avenue, San Luis Obispo, CA.

RECOMMENDATION

It is recommended that the Board:

1. Accept the results of the November 7, 2013 bid opening for the Women's Jail Expansion project located at 1585 Kansas Avenue, San Luis Obispo, contingent on State Department of Finance (DOF) approval, award a construction contract to Roebbelen Contracting, Inc., as general contractor, in the amount of \$27,797,000, and instruct the Chairperson to sign the Contract upon receipt of all insurance and bond documents;
2. Waive Public Contract Code Section 20142(b) for change order limits and approve a 10% change order contingency for the construction contract and delegate change order authority to the General Services Agency Director;
3. Approve and instruct the Chairperson to sign a third amendment to the consultant services contract for construction administration with AECOM Technical Services, Inc. in the amount of \$989,496;
4. Approve and instruct the Chairperson to sign a contract for inspector of record services to 4LEAF, Inc., in the amount of \$519,800
5. Approve and instruct the Chairperson to sign a contract for testing and inspection services to Earth Systems Pacific, in the amount of \$239,732;
6. Approve and instruct the Chairperson to sign a contract for commissioning agent services to Enovity, Inc., in the amount of \$152,318;
7. Authorize an appropriation increase in the amount of \$6,585,156 for the Women's Jail Expansion project using \$2,163,652 from the Facilities Planning Designation in the Capital Projects Fund and \$4,421,504 from reserves in the Criminal Justice Facility Construction Fund. Four-fifths vote required;
8. Authorize the Auditor-Controller-Treasurer-Tax Collector to make short-term loans between any funds under the control of the County Board of Supervisors to support cash flow requirements specific to the Women's Jail Expansion Project. In addition, waive the requirements to have repayment occur by the end of the fiscal year and that the loan bear interest; and

9. Receive and file project update.

DISCUSSION

The purpose of this report is to provide an update on the progress of the Women's Jail Expansion (WJE) project and request Board approval to move into the construction phase. Notice to Proceed is anticipated in early February 2014.

Background

The WJE project is intended to mitigate long standing issues associated with overcrowding. The formal development of this project began in 2006. In 2008, the County was successful in obtaining \$25.1 million in State funding made available by the Public Safety and Offender Rehabilitation Act (AB900).

The \$25.1 million award of AB 900 funds covers 75% of the original estimate for project expenses for the housing unit and medical facility identified in the application for the State funds. The funds reimburse the County for construction expenses only. Expenses related to project administration, design, permits and construction management count toward the County's obligatory contribution of matching funds but are not eligible to be directly funded with AB 900 funds.

In April 2013, the Board authorized the pre-qualification of general contractors and certain subcontractor trades. Through that process, 11 general contractors and 28 subcontractors were pre-qualified.

General Contractor Award

On August 13, 2013 the Board authorized public bidding for construction services for the WJE project. The project included a base bid for the housing unit and medical facilities, and an additive alternate bid item for the remodel of the Intake, Release Center (IRC) and construction of a new sally port.

On November 7, 2013, the County received 6 bids with base bids ranging from \$27,797,000 to \$30,436,000. Roebbelen Contracting, Inc. of El Dorado Hills, CA submitted the lowest responsive bid for the base bid. GSA - General Services and the Sheriff's Office are requesting the Board accept all bids received an award a construction services contract in the amount of \$27,797,000.

Roebbelen Contracting, Inc. submitted an additive alternate bid of \$7,050,000 for the IRC and sally port. The price for the additive alternate exceeds the project budget and is not recommended for award as funding has not been identified.

One bid protest was received on November 15, 2013 from Walsh Construction. GSA evaluated the protest in accordance with Board approved policy and responded to Walsh Construction on December 2, 2013. The protest was denied based upon GSA's determination that the bid from Roebbelen Contracting, Inc., the lowest responsive and responsible bidder, meets all bidding specifications and requirements.

The Board's award of a construction services contract is contingent upon California Department of Finance approval of the AB900 award package. Approval is expected in late January 2014.

Public Contract Code Change Order Limits

Public Contract Code Section 20142(b) Limitation on Amount of Change in Contract, limits the cost of any change or addition to the work for projects in excess of \$250,000, not to exceed \$25,000, plus 5 percent of the amount of the original contract cost in excess of \$250,000 and in no event shall such change or alteration exceed \$210,000. The WJE project is a unique complex project with a number of risk areas. A 10% change order contingency for those anticipated and unanticipated changes that occur during construction is typical for construction contracts of similar size, value, and complexity.

Project budgets are set by the Board and timely approval of change orders may save money for the County. Delegation of change order authority to the GSA Director will reduce the time for the approval process and reduce the risk of project delays. Therefore, it is recommended the Board waive Public Contract Code limits and approve a 10% change order contingency for the WJE project and delegate change order authority, within project funding, to the GSA Director.

AECOM Amendment

The Board is requested to approve a third amendment to the contract for consultant services with AECOM Technical Services Inc. for architectural services to program, design and develop construction documents for the WJE project. The original contract with AECOM Technical Services, Inc. (then known as DMJM H+N) for \$1,290,000 was authorized in 2006. Since then two amendments have been executed. The first amendment added additional work that included design, construction documents, and bid administration for the medical programs facility and security upgrades and integration for \$331,900. The second amendment aligned the 2006 contract with the County's updated Contracting for Services policy regarding change order amounts with no change in contract cost.

As the project moves into the construction phase, the Board is being requested to approve a third amendment for construction administration services for \$989,496. Construction administration services were anticipated at the time additional design services for the medical programs facility and security upgrades were approved (first amendment) however funding was deferred. Approval of the third amendment to the contract with AECOM Technical Services, Inc. will provide services such as submittal review, support from the designer of record, engineering and architectural consultation, review of potential change orders, and support for requests for information from the construction contractor for the duration of the project.

Consultant Services Contracts

Between April 2013 and October 2013, the County released Requests for Statement of Qualifications for inspector of record, testing and inspection services, and commissioning agent for the WJE project.

A selection panel for each Requests for Statement of Qualifications was appointed with representatives from the General Services Agency, County Public Works, the Sheriff's Office, and ARCADIS (the County's contracted construction manager for the WJE project). The rating system and interviews were qualifications-based and the firms' proposed fees were not viewed until the final selection was made.

Firms were evaluated based on their experience in providing services for detention facilities, their staff's experience and availability for the WJE project.

- **Inspector of Record**

Seven firms submitted proposals, three were selected for interviews, and 4LEAF, Inc. was selected as the inspector of record with a recommended contract award of \$519,800. The Inspector of Record ensures compliance with code, plans, specifications and quality assurance. The Inspector of Record will issue correction and stop work notices and notify the Construction Manager and County in writing if work does not conform to contract documents.

- **Testing and Special Inspections**

Two firms submitted proposals, no interviews were held, and Earth Systems Pacific was selected for testing and inspection services with a recommended contract award of \$239,732. The testing and inspection services include onsite and offsite sampling and laboratory testing of soils and construction materials; inspection and testing of materials and equipment at offsite and out-of-state fabrication sites, including welding inspections and tests; other tests and construction related inspection services required by the State; and other professional engineering services as necessary to support the above activities.

- **Commissioning Agent**

Four firms submitted proposals, three were selected for interviews, and Enovity, Inc. was selected as the commissioning agent with a recommended contract award of \$152,318. The commissioning agent develops and oversees the plan for equipment and systems commissioning and start-up, observes and documents performance, and determines whether systems are functioning in accordance with the documented design intent and in accordance with the contract documents. The commissioning agent will provide services from start of construction through completion. In addition, the commissioning agent will return within the warranty period to determine if all systems are still operating properly.

All firms showed a strong knowledge of detention facility construction and project documentation capabilities.

OTHER AGENCY INVOLVEMENT/IMPACT

The WJE Steering Committee, with participants from the Sheriff's Office, Auditor-Controller-Treasurer-Tax Collector, County Administrative Office, County Counsel, and GSA are actively involved in conducting project oversight.

The Department of Fish and Wildlife, Army Corps of Engineers, Air Pollution Control District, and the Regional Water Quality Control Board, have been involved throughout the permitting process.

The California Board of State and Community Corrections, California Department of Corrections and Rehabilitation and the California Department of Finance have been involved from grant award and continue to be an integral part of the funding process.

County Counsel is providing legal guidance on all aspects of the WJE project and has reviewed the construction services contract and consultant services contracts for form and legal effect.

FINANCIAL CONSIDERATIONS

With approval of the construction contract the current project estimate has been revised from \$38,697,941, as presented to the board in August 2013 to \$40,694,786, an increase of \$1,996,845. Table #1 summarizes the revised project costs by component.

The cost increases are attributed to an additional \$1,863,431 in construction costs and \$133,414 in project administration. Of the increased construction costs, the actual construction bid was \$1.5 million over the engineer's estimate, representing a 5% deviation which is within industry standards of 10%. Other construction cost increases included \$151,000 in additional contingency, and \$195,269 for site preparation which was previously not included in the engineer's estimate. The County administration increased due to additional County staff time for Pre-Construction Plan Support needed to bring the project through the state funding process.

Table #1

Revised Project Costs			
Costs			
Component	Est. Cost Aug. 2013	Est. Cost Dec. 2013	Change
Construction Housing/Medical	\$ 24,468,152	\$ 29,721,565	\$ 5,253,413
Construction Electronic Security	\$ 5,300,000	\$ 1,910,018	\$ (3,389,982)
Architectural & Design	\$ 3,619,222	\$ 3,619,222	\$0
CEQA	\$ 477,339	\$ 477,339	\$0
Construction Management	\$ 3,275,325	\$ 3,275,325	\$0
County Administration	\$ 1,557,903	\$ 1,691,317	\$ 133,414
Total Project Estimate	\$ 38,697,941	\$ 40,694,786	\$ 1,996,845

The County's share of the \$40,694,786 estimated costs to complete the housing unit, medical facility and security system, is \$15,569,156. This is comprised of: \$7.0 million of Detention Facility Designation, \$4,421,504 of Criminal Justice Facility Construction Funds, \$3,453,652 of Facility Planning Reserves, and \$694,000 of General Fund. Table #2 summarizes in broad terms the overall anticipated sources of funding for the project.

The Board has previously allocated \$9 million to the WJE project, an appropriation increase in the amount of \$6,585,156 will be necessary to fully fund the estimated County share of \$15,569,156. The State funding of \$25,125,630 has been maximized and will be used for eligible construction costs of the housing unit and medical facility.

Table #2

Sources of Funding			
Funding			
	State Funding	County Funding	Total Project Funding
State - AB 900	\$ 25,125,630		\$ 25,125,630
County - Detention Facilities Reserve		\$ 7,000,000	\$ 7,000,000
County - Criminal Justice Facility Const. Reserve		\$ 4,421,504	\$ 4,421,504
County - Facility Planning Reserve		\$ 3,453,652	\$ 3,453,652
County - General Fund		\$ 694,000	\$ 694,000
Total Project Funding	\$ 25,125,630	\$ 15,569,156	\$ 40,694,786

The approval of the remaining construction contract and other significant contracts will complete the award of \$31,320,246 in contracts or amendments. Table #3 summarizes the recommended project contract awards.

Table #3

Project Contract Award		
Name	Contract	Contract Award
Roebbelen Contracting Inc.	General Contractor	\$27,797,000
AECOM	Architectural	\$2,611,396
4Leaf, Inc.	Inspector of Record	\$519,800
Earth Systems Pacific	Testing and Inspections	\$239,732
Enovity, Inc	Commissioning Agent	\$152,318
Total		\$31,320,246

Cash Flow Requirements

Funding will be needed to manage the reimbursements from the State to the County. In accordance with the signed agreement, the State will retain \$1.3 million until the project is complete and an audit is performed. Additionally, the State has a 45-day lead time for processing reimbursement payments to the County. This will require the management of cash flow as the State reimbursements are processed. In order to meet cash flow requirements the County of San Luis Obispo Board of Supervisors annually authorizes the Auditor-Controller-Treasurer-Tax Collector to make loans between any funds in the County Treasury that are under the control of the County Board of Supervisors to the extent allowed by law. Board policy states that loans should bear an interest rate equivalent to the rate earned on funds in the County Treasury and repayment should occur by the end of the fiscal year unless specific authorization is given by the Board of Supervisors. The Auditor-Controller-Treasurer-Tax Collector recommends the Board of Supervisors grant an exception to the interest bearing and fiscal year end repayment requirements specific to the WJE project funding. Funding from the State is fixed, any interest charges to the project will already be absorbed by the General Fund. It is currently projected that reimbursement from the State may follow 60 to 90 days after the County has made vendor payments.

RESULTS

The WJE project will expand the capacity of the Women's Jail by 198 beds, alleviate overcrowding conditions and provide capacity for the future. It will also provide improved medical facilities for both male and female inmates and additional space for rehabilitation programs such as counseling and education. Replacement of the electronic security system is essential to the secure operation of the entire of jail. State funding will provide \$25.1 million and would offset approximately 75% of the cost for the housing unit, medical facility and security system associated with those units. The facility improvements will contribute to a safer community.

ATTACHMENTS

1. WJE Vicinity Map
2. 121713_Attachment A – Chronology of Board Actions
3. 121713_Commissioning Consultant Services Contract (Clerk's File)
4. 121713_Inspector of Record Consultant Services Contract (Clerk's File)
5. 121713_Testing and Inspection Consultant Services Contract (Clerk's File)
6. AECOM Third Amendment